

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**SB 2704 – HB 2797**

February 16, 2010

**SUMMARY OF BILL:** Authorizes motor vehicles used to carry rafts or rafting equipment used by commercial whitewater rafting businesses to operate on the state and local highway system when the height, including any part of the load, does not exceed 17.5 feet; adds definitions to Title 65, Chapter 15 related to motor carriers, for “shuttle vehicle” and “for hire motor carrier.” Authorizes shuttle vehicles used for commercial whitewater purposes or recreational river use to employ trailers when the weight of the trailer is less than the weight the vehicle is rated to tow; requires inspections of vehicles used in commercial whitewater and recreational river use to be conducted at times that do not interrupt the normal operation of the business.

**ESTIMATED FISCAL IMPACT:**

**Other Fiscal Impact – According to the Departments of Safety and Transportation, this bill will place the state out of compliance with the Federal Motor Carrier Safety Act. As a result, the state would lose approximately \$19,700,000 of federal funding in the first year of non-compliance (FY10-11) and approximately \$39,400,000 each year thereafter.**

**Assumptions:**

- Based on information provided by the Departments of Safety (DOS) and Transportation (TDOT), this bill would place the state out of compliance with the federal Motor Carrier Safety Act.
- Pursuant to 49 CFR 384.401, the penalty for non-compliance in the first year is five percent of Federal-aid highway funds; the penalty for non-compliance in second and subsequent years is ten percent of such funds.
- Based on information provided by DOS and TDOT, the state currently receives approximately \$394.0 million per year in federal highway funds.
- The decrease of federal funding to the state is estimated to be \$19,700,000 in FY10-11 ( $\$394,000,000 \times 5.0\% = \$19,700,000$ ).

- The decrease of federal funding to the state is estimated to be \$39,400,000 in FY11-12 and subsequent years ( $\$394,000,000 \times 10.0\% = \$39,400,000$ ).

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" and last name "White" clearly legible, and "W." in the middle.

James W. White, Executive Director

/rnc